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Macroeconomic policy questions: trade and development

Specific actions related to the particular needs and problems of landlocked developing countries

Note by the Secretary-General

1. By resolution 50/97 of 20 December 1995, the General Assembly requested the Secretary-General, together with the Secretary-General of the United Nations Conference on Trade and Development, to prepare a report on the implementation of that resolution and submit it to the Trade and Development Board and to the General Assembly at its fifty-second session.

2. Pursuant to that request, the Secretary-General has the honour to transmit to the General Assembly the above-mentioned report (see annex).

* A/52/150 and Corr.1.

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Annex

Specific actions related to the particular needs and problems of landlocked developing countries

Progress report of the secretariat of the United Nations Conference on Trade and Development

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I. Introduction

1. In paragraph 15 of its resolution 50/97 of 20 December 1995, the General Assembly requested the Secretary-General, together with the Secretary-General of the United Nations Conference on Trade and Development (UNCTAD), to prepare a report on the implementation of that resolution and submit it to the Trade and Development Board and to the General Assembly at its fifty-second session.

2. In paragraph 9 of the same resolution, the Assembly took note of the report of the Second Meeting of Governmental Experts from Landlocked and Transit Developing Countries and Representatives of Donor Countries and Financial and Development Institutions, held in New York from 19 to 22 June 1995,[1] and endorsed the Global Framework for Transit Transport Cooperation between Landlocked and Transit Developing Countries and the Donor Community contained therein. In paragraph 11 of the resolution, the Assembly requested the Secretary-General to convene in 1997 another meeting of governmental experts from landlocked and transit developing countries and representatives of donor countries and financial and development institutions, including relevant regional and subregional economic organizations and commissions, to review progress in the development of transit systems in the landlocked and transit developing countries, with a view to exploring the possibility of formulating specific action-oriented measures. The Third Meeting was convened under the auspices of UNCTAD at United Nations Headquarters, from 18 to 20 June 1997. The conclusions and recommendations of the Meeting, are contained in section II of the present report.[2]

3. In paragraph 13 of the same resolution, the Assembly noted with appreciation the contribution of the United Nations Conference on Trade and Development in formulating international measures to deal with the special problems of the landlocked developing countries, and urged the Conference, *inter alia*, to keep under constant review the evolution of transit transport infrastructure facilities, institutions and services, monitor the implementation of agreed measures, collaborate in all relevant initiatives, including those of the private sector and non-governmental organizations, and serve as a focal point on cross-regional issues of interest to landlocked developing countries. In paragraph 14 of the resolution, the Assembly invited the Secretary-General, in consultation with the Secretary-General of UNCTAD, to take appropriate measures for the effective implementation of the activities called for in the resolution. The recent activities of UNCTAD on behalf of landlocked developing countries in this regard are highlighted in section III of the present report.

4. In paragraph 5 of the resolution, the Assembly invited landlocked developing countries and their transit neighbours to intensify further their cooperative arrangements, and in paragraph 7, it invited donor countries and multilateral and development institutions to provide those countries with appropriate financial and technical assistance. Accordingly, the Secretary-General of UNCTAD requested the countries and institutions concerned to provide him with information on the actions they had taken in that regard. This information is summarized in section IV of the present report.

II. Conclusions and recommendations

5. There is a fundamental change under way in the orientation of both landlocked and transit countries, as well as in the donor community, in addressing the transit problem. The challenges of this new orientation will have to be met with a much greater sense of priority and innovation, as reflected in the conclusions and recommendations briefly elaborated below.

A. Transit transport policy framework

6. The establishment of a commercially conducive transit policy environment remains at the centre of all efforts to further improve transit transport systems. Governments in landlocked and transit countries should reinforce the measures they have already taken to commercialize public sector enterprises dealing with transit transport matters.

7. Existing arrangements to coordinate all activities of public and private actors in both landlocked countries and transit countries should be strengthened and institutionalized, both at the national and subregional levels.

8. High transit transport costs remain the major barrier, and they erode the competitive edge of landlocked developing countries in world trade. A large proportion of their total export and import earnings from trade in goods and services goes to transportation and insurance payments. The international community, therefore, should seek ways to reduce high transport costs by establishing a stable transit framework, mutually agreed between landlocked and coastal countries, which reduces various bottlenecks, transit costs and logistical distortions. More transparency in transport markets is also very important.

B. Sectoral considerations

9. *Rail traffic.* In recent years, greater attention has been given to rehabilitating the rail network and to purchasing additional rolling stock and equipment in the various regions and subregions. The priority in the coming years will, however, be to support maintenance programmes and continue rehabilitation. The development of missing railway links, where proven economically viable, should be encouraged. The other key area in improving railway performance is management. The current measures being taken to give greater autonomy to railway management should be stepped up. Other measures to be pursued more aggressively include gearing railways to commercial operations and involving the private sector in some of the activities. Recent efforts to encourage competition with other modes of transport and the commercialization of some railway services should also be pursued.

10. *Road transit.* Efforts being made towards road maintenance, rehabilitation, upgrading and construction should continue. The maintenance problem will, however, not be resolved unless users adhere to regulations related to axle-load limits and motor vehicle dimensions. Governments should build up the capacity to enforce these regulations, as well as road safety regulations. Furthermore, the trend towards liberalization of road transit services should be further supported by allowing road hauliers to compete freely with railways.

11. *Port facilities and services.* The maintenance of port infrastructure and equipment remains an important item in future action by Governments. With regard to operational and management aspects, Governments should continue institutional reforms to make ports more market-oriented, by means of commercialization and gradual privatization. In order to ensure the speedy and cost-effective movement of cargo to inland destinations in landlocked countries, the establishment of dry ports in these countries should continue to be vigorously promoted and supported.

12. *Inland waterways.* The improvement of the current poor lake and river infrastructural facilities should be accorded high priority, particularly where such transit corridors constitute a vital outlet.

13. *Pipelines.* For a number of landlocked and transit countries, the movement of strategic commodities through pipelines is important. Agreements have been concluded to establish new pipelines in certain regions. The construction, improvement and maintenance of these facilities, and security measures for them, should be given high priority.

14. *Air freight.* Ongoing efforts to bolster air freight pooling arrangements should be further reinforced. This will greatly contribute to solving the problem of directional imbalance in freight flows and low levels of traffic and thus enhance the competitiveness of countries. Improvement of physical ground facilities, particularly with regard to freight collection, storage and distribution systems, should also be stepped up. Furthermore, ongoing efforts to liberalize policies regarding the granting of traffic rights for freight on scheduled services should be continued.

15. *Communications and information technology.* The Meeting took note of the recommendations formulated by the Expert Meeting on the Use of Information Technologies to Make Transit Arrangements More Effective.[3] The computerization of information regarding port and road transit operations and the passage of goods should also be further enhanced. The use of information technology, such as that provided by the Advanced Cargo Information System (ACIS) and Automated System of Customs Data Entry, Control and Management (ASYCUDA) programmes, should be increased, particularly with regard to the exchange of information. This will enable ports, transport operators and Governments to use the existing infrastructural and transport capacities more efficiently, reduce delays and lower costs. The required transit and customs management electronic data interchange (EDI) messages should be developed using the United Nations Rules for Electronic Data Interchange for Administration, Commerce and Transport (EDIFACT). Successful application of this technology, however, generally requires determined reform efforts on the part of benefiting countries.

16. *Transit insurance.* The consumers of transit insurance cover, namely shippers' councils, chambers of commerce and manufacturers' associations, should liaise with insurance institutions dealing with transit cargo in order to promote warehouse-to-warehouse insurance arrangements so as to reduce transit insurance premiums.

17. *Management and training.* Diversified training programmes, including workshops, seminars, on-the-job training and longer courses for managers and middle-level and lower-level operators in ports, on railways, in the road haulage industry, in air freight and in freight and clearing forwarding, should be strongly supported. An expanded private sector involvement in all of those areas should help to create a better environment that would achieve greater efficiency in business operations.

C. Bilateral, subregional and international legal frameworks

18. Most of the landlocked and transit developing countries have promoted a range of bilateral and subregional transit agreements and arrangements with regard to road, rail, inland waterway and air transport. The implementation of those agreements and arrangements varies among subregions but, in general, experience has shown that their monitoring and enforcement is not always adequate. Current efforts to strengthen mechanisms for a more effective implementation of the agreements and arrangements should be further reinforced. There has generally been slow progress made in adherence to international legal transit instruments. Efforts should be made by the promoters of these conventions to shed more light on the implications of adhering to them, as well as on the benefits that they would bring to the landlocked and transit developing countries.

19. In particular, Governments should be encouraged to simplify, modernize and harmonize their customs procedures, which would improve their effectiveness and facilitate transport and trade.

20. The Meeting welcomed the outcome of the Ulaanbaatar consultative subregional meeting of China, Mongolia and the Russian Federation, which, *inter alia*, called for the elaboration of a North-East Asia subregional transit agreement.

D. Future orientation of international support measures

21. The support provided by the donor community in recent years has significantly helped to address acute constraints in transit transport, particularly with regard to transit transport infrastructure. The continued enhancement of transport infrastructure has promoted trade activity between landlocked and transit developing countries. The limited capacity of the landlocked and transit countries to maintain and develop infrastructural facilities calls for further donor assistance in this area, which should include the continued provision of equipment in the various areas of the transit transport sector. There are, however, a range of policy and operational measures that also need the support of the donor community. In this regard, donors should consider extending their future assistance in such areas as: (a) supporting intercountry projects that enhance subregional trade; (b) promoting institutional and policy reforms that encourage market-oriented transit transport operations; (c) promoting commercialization and privatization programmes in the transit transport sector; (d) involvement in trilateral arrangements among landlocked and transit countries and their development partners in programmes that promote transit transport cooperation; and (e) supporting the development and implementation of computerized transit monitoring systems on the basis of the existing ASYCUDA and ACIS modules.

E. Institutional follow-up mechanisms

22. In view of the important role that subregional organizations will be playing in the future in promoting the effective implementation of subregional transit transport cooperative arrangements, donors and the United Nations Development Programme (UNDP) are invited to support national efforts to establish technical units within the subregional organizations which will, *inter alia*: (a) assist Governments in the formulation of subregional transit transport policies; (b) prepare technical studies to back up proposals for joint projects at the subregional level; (c) liaise with the private sector in order to identify priority areas for its involvement; and (d) act as subregional counterparts of donor agencies in their commercialization and privatization support programmes.

23. The role of UNCTAD in support of landlocked and transit developing countries was fully supported and it was considered desirable that these activities remain a priority item in the work programme of UNCTAD. For such activities to be fully effective, it was recommended that UNCTAD continue to liaise closely with the subregional intergovernmental organizations in its endeavours. It was also recommended that international organizations, regional commissions and United Nations agencies dealing with the development of transport and communications should include transit transport activities in their future work programmes.

24. In order to undertake a global review of progress in the development of transit transport systems, particularly taking into consideration the global framework for transit transport cooperation and the above conclusions and recommendations, it was recommended that consideration be given to convening another meeting of governmental experts from landlocked and transit developing countries and representatives of donor countries and financial and development institutions in 1999.

III. Activities of the United Nations Conference on Trade and Development

A. Review of the progress made in the development of transit systems in the landlocked and transit developing countries

25. In order to facilitate the review of the progress made in the development of transit systems by the Third Meeting of Governmental Experts from Landlocked and Transit Developing Countries and Representatives of Donor Countries and Financial and Development Institutions, the Secretary-General of UNCTAD made arrangements, with the financial support of UNDP, to undertake comprehensive regional and subregional analytical studies which highlighted recent developments in the transit transport sector of landlocked and transit developing countries and made recommendations for future action. These studies elaborated the programmes that have been under way to rehabilitate and maintain transit infrastructure and to improve management practices and operations. They particularly focused on those programmes and projects that are being implemented in a subregional context. They also highlighted the new transit transport policy initiatives taken by individual countries, and contained a number of priority capital projects and technical assistance programmes for which donor support is being sought.[4] The results of these studies, as well as the contribution made by the regional commissions, provided the basis for the preparation of the basic document[5] made available to the above-mentioned Meeting.

B. Consultative group meetings of landlocked and transit developing countries

26. In paragraph 10 of General Assembly resolution 50/97, the Secretary-General of UNCTAD was requested, in collaboration with the donor countries and institutions, in particular UNDP, the regional commissions and relevant subregional institutions, to organize specific consultative groups to identify priority areas for action at the national and subregional levels and draw up action programmes for the period 1996-1997. The process of these consultative meetings began with the convening of one such meeting for Mongolia and its transit neighbours, namely China and the Russian Federation. The meeting, which was organized by UNCTAD and UNDP in close cooperation with the Government of Mongolia, was held at Ulaanbaatar, from 20 to 22 May 1997. Representatives of Japan and the Republic of Korea attended the meeting as observers.

27. The meeting discussed the recent developments that had taken place in the subregion in the light of the Global Framework for Transit Transport Cooperation between Landlocked and Transit Developing Countries and the Donor Community which had been adopted at the Second Meeting of Governmental Experts.[6] In that regard, the meeting first reviewed the various fundamental elements of the transit transport policy framework, which would ensure the establishment of a viable environment that is conducive to improved transit efficiency. Those elements included the improvement of current bilateral transit agreements, the promotion of a complementary comprehensive subregional agreement and international transit conventions and agreements, the development of alternative routes, the commercialization of transit services and the development of potential for expanded subregional trade. Second, the current physical weaknesses of the transit transport infrastructure and proposals for further improvements were addressed. The meeting emphasized the role that external assistance should play in providing support for the implementation of the priority programmes agreed at the meeting. The outcome of the meeting was the adoption of the Ulaanbaatar Memorandum of Understanding which contains highlights of the issues outlined above.

28. The consultations between other landlocked countries and their transit neighbours in Africa and Latin America were held within the framework of existing institutional arrangements under the various subregional schemes. The regular meetings of the Southern African Transport and Communications Commission (SATCC), the Transit Transport Coordination Authority of the Northern Corridor in East and Central Africa, the Ministerial Conference of West and Central African States on Maritime Transport (MINCONMAR) and of the Common Market of the Southern Cone (MERCOSUR) in Latin America have served as forums for the exchange of views on priority areas for action to improve the transit transport systems. These include the further development of missing links in the transit transport infrastructural network, the maintenance of existing facilities, the removal of non-physical barriers, such as cumbersome transit procedures and regulations, which still constitute a serious constraint on some of the transit corridors, the strengthening of mechanisms to effectively implement subregional transit agreements, the continued liberalization of transit services and the greater involvement

of the private sector in transit transport operations. In Central Asia, recent meetings convened to discuss the possibilities of establishing a framework for a subregional transit agreement also offered an opportunity to discuss some of those priority areas. In South-East Asia, regular transit bilateral consultations also address future transit transport requirements. During the Third Meeting of Governmental Experts, informal discussions were also held by some experts from landlocked and transit developing countries.

C. Other activities

1. Review of the Northern Corridor Transit Agreement

29. During the annual meeting of the Transit Transport Coordination Authority of the Northern Corridor, held in November 1996, the Governments of Burundi, Kenya, Rwanda, Uganda and the Democratic Republic of the Congo formally decided to extend the Northern Corridor Transit Agreement, which had expired in October 1996, for another 10 years. The member States, however, agreed that it was necessary to review some of the protocols in order to take into account the new developments in the transit system. They therefore requested the Permanent Secretariat of the Coordination Authority, based in Mombasa, Kenya, to seek technical assistance to undertake that review. In view of the previous involvement of UNCTAD in supporting the Permanent Secretariat in this area, UNCTAD fielded a mission which drew up a work plan and time schedule for the review. The work plan envisages the convening of a series of national workshops in the individual member States, at which country-specific transit transport policies and other actions that need to be taken into account in the review of the Agreement would be discussed. Also proposed is the convening of a subregional workshop which is designed to harmonize views regarding new activities in the various subsectors. These activities will also reflect the role of private sector transit operators. Consultations are now under way with the Permanent Secretariat regarding follow-up activities.

2. Automated System of Customs Data Entry, Control and Management

30. Efficient customs formalities contribute in an important way to the expedient processing and clearance of goods in transit. Major benefits can be expected when neighbouring countries are using the same or compatible customs systems, facilitating the exchange of information and further reducing delays.

31. The reform, modernization and computerization of customs formalities are addressed in ASYCUDA projects using a modern software package which has been developed and is being implemented by UNCTAD. The major benefits brought about by these projects are streamlined customs procedures, faster clearance of goods, increased collection of revenue and up-to-date and reliable foreign trade statistics.

32. At present, ASYCUDA projects are under way or completed in over 70 countries throughout the world, including 14 landlocked countries and 15 transit countries. A specific transit monitoring module, using a set of messages based on international standards, is currently being developed for ASYCUDA, with the possibility of linking it into ACIS, other cargo tracking systems and enforcement databases. The work of ASYCUDA was also discussed in the recent UNCTAD expert meeting on information technology (see paras. 43-47 below).

33. The development of ASYCUDA has been financed through contributions from the Governments of Denmark, France, Germany, Italy, Japan, Norway, Spain, Sweden, Switzerland, the United States of America and the United Kingdom of Great Britain and Northern Ireland, as well as UNDP, the European Union, the World Bank, the Caribbean Development Bank and the Inter-American Development Bank.

3. Advanced Cargo Information System

34. One of the main technical cooperation programmes between UNCTAD and the developing countries is the development and installation of the Advanced Cargo Information System (ACIS) which is a tool box of computer applications that constitute a transport logistics information system capable of addressing multimodal cargo transit and transport resource problems. It provides transport operators with reliable, useful and immediate data on transport operations, giving the location of goods and transport equipment.

35. Over the past two years, ACIS has been either partially or fully installed in the following landlocked and transit countries:

(a) **PortTracker**. In the ports of Tema (Ghana), Mombasa (Kenya) and Dar es Salaam, the Harbour Master and Gate Pass modules are at various stages of installation;

(b) **RailTracker**. Far more effort and resources have gone into the development and implementation of the

railway module of ACIS, at the request of users. As a result, goods and rolling stock are being tracked on the following railway networks: Senegal and Mali, Côte d'Ivoire and Burkina Faso; Ghana; Cameroon; the Sudan; Kenya, the United Republic of Tanzania, and Uganda; TAZARA, Malawi, Zambia and the Democratic Republic of the Congo; and Bangladesh.

36. There is one railway network on which, at present, only rolling stock is being tracked: Ghana Railways.

37. The following benefits to the railways that are currently using the ACIS RailTracker have been confirmed, both independently and by the users themselves:

(a) Comprehensive data are now available on-line for traffic and other managers. This includes such information as the position of wagons on the network, the number of broken-down wagons, wagons loaded for more than three days, wagons in workshops and so forth;

(b) Weekly or monthly reports for various managerial levels within the railway administrations can now be easily generated. This includes such information as weekly loading data, customer and commodity performance, average fuel issued per locomotive kilometre, train transit time and so forth;

(c) Customer information has drastically improved. In the past, it took four to five days to inform a customer of the location of his wagon; this information can now be provided instantaneously;

(d) Tangible positive results have been registered in wagon turn-around time, wagon availability or average repair time, wagon hiring charges and so forth;

(e) The operational managements of transit and landlocked country railways, where networks are connected, have been integrated into the same system, thereby facilitating the circulation of transit traffic.

38. Funding for ACIS has been largely provided by the European Commission. Funding has also been provided in the past by UNDP and the World Bank, as well as by German and French development institutions.

4. Central Asian external trade and transit initiative: rebuilding the Silk Road

39. The Central Asian external and transit transport initiative was launched in April 1995. The initiative is aimed at reducing transit costs for the Central Asian republics, thereby promoting their external trade and bolstering their economic growth.

40. The technical meeting on the transit transport links of Central Asia with world markets, held at Ankara from 7 to 9 November 1995, outlined a programme of reform designed to improve transit transport systems in Central Asia. A transit transport framework agreement was considered a cornerstone of this reform programme.

41. The elaboration of the transit transport framework agreement took a decisive turn when a meeting of senior officials from the Central Asian republics, convened at Issyk-Kul, Kyrgyzstan, in November 1996, adopted a common draft and agreed that it would form the basis for negotiations with their transit neighbours. This transit transport framework agreement outlines regional transit transport cooperative arrangements, including the development, maintenance and management of transport infrastructure and services, and the harmonization of transit regulations and customs procedures and documentation. With regard to institutional arrangements, the framework agreement envisages the involvement of governmental institutions at all levels and the establishment of a secretariat to help monitor the implementation of the various sectoral protocols of the agreement.

42. The first negotiations between the Central Asian republics and their transit neighbours have been scheduled for September/October 1997. Participating countries will include Afghanistan, Armenia, Azerbaijan, China, Georgia, Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, the Russian Federation, Tajikistan, Turkey, Turkmenistan and Uzbekistan.

5. Expert meeting on information technology

43. As mandated by the UNCTAD Commission on Enterprise, Business Facilitation and Development, an expert meeting was held in May 1997 on the use of information technologies to make transit arrangements more effective. The expert meeting recalled that, despite the rapid progress made in information technology, customs transit continues to be largely based on procedures involving the transmission of paper documents. The meeting stressed the crucial contribution of information technology to the proper functioning of customs transit systems. The meeting underlined that transport information systems of track transit cargo should be further enhanced with a view to automating data capture. It considered that the current lack of such systems in many countries jeopardized the efficiency of transit transport operators and was also detrimental to the efficient performance of customs transit systems. The meeting recalled the use of ASYCUDA and ACIS in many countries at various levels of development. It agreed that the

computerization of transit procedures could significantly contribute to speeding up the procedures and reducing their cost, to the benefit of trade, while enhancing the efficiency of customs control and cargo tracking.

44. The meeting expressed the belief that UNCTAD should, in cooperation with all other interested parties, work towards developing a transit module, in the context of ASYCUDA and ACIS.

45. The meeting considered that the transit module could cover all functions of customs control and transport monitoring of transit goods from the beginning to the completion of the transit operation, including the release of securities, where appropriate. It should be open to similar computerized systems and, to the extent permitted by national laws, it should permit relevant access by trade and transport operators. Messages used should be based on existing international standards, in particular EDIFACT. A group of countries, both transit and landlocked, with priority assigned to the least developed among them, could be targeted as pilot sites for such an electronic transit module.

46. The meeting also considered that UNCTAD should cooperate with organizations involved in the development and maintenance of transit systems, in particular the Economic Commission for Europe, the European Commission and regional groupings in developing countries, as well as relevant organizations in the public and private sectors.

47. The meeting recognized the need for a comprehensive customs transit system and an integrated cargo tracking system open to all operators. It also recognized that UNCTAD should continue to support current users of ASYCUDA and ACIS and pursue the development and further implementation, including promotion and ongoing support, of both systems.

IV. Actions by individual countries and international and intergovernmental organizations on behalf of landlocked developing countries

48. The information provided by several landlocked and transit developing countries, other developing countries and developed countries, as well as international and intergovernmental organizations, on activities related to the improvement of the transit transport systems is summarized below.[7]

49. The landlocked developing countries outlined their country programmes to further develop their transit transport infrastructure, including the rehabilitation and maintenance of existing facilities and the development of missing links in the road transit network. They also elaborated the legal frameworks and administrative regulations governing the movement of transit cargo. It was generally emphasized that there was a need to review and refine the existing bilateral and subregional transit agreements in order to take into account recent developments in the transit system, such as the expansion of existing facilities, the establishment of inland container terminals (dry ports) and the use of new transit routes by rail, road and inland waterways. It was further pointed out that there was a need to further strengthen mechanisms for the monitoring and enforcement of transit agreements. In that connection, the importance of stricter control of axle-load regulations and maintenance procedures, as well as the further harmonization and simplification of customs procedures and documentation and road user charges at the subregional level, was particularly underlined. The need for the expansion of regional and national training programmes for transit transport managements and operators was also emphasized.

50. The transit developing countries provided information on the development programmes under way to improve the transit facilities they offer to facilitate the movement of transit cargo to and from neighbouring landlocked States. These related in particular to berthing facilities in ports, warehousing facilities, road and rail transit services and the facilitation of customs clearance procedures and regulations in ports and cross-border points. Some of the countries also referred to the preferential treatment accorded landlocked countries with regard to charges levied on transit cargo and to the trade preferences granted to them. Special reference was made to the existence of bilateral and subregional transit agreements and arrangements between transit countries and the neighbouring landlocked countries, which generally constitute the legal framework within which the modalities for providing most of the above facilities and services are outlined and defined. Although the implementation of these agreements and arrangements varies, the commitment of most transit countries in general to improve transit services is unquestionable.

51. Several of the transit developing countries also outlined other measures undertaken to help improve transit transport efficiency, including the liberalization of transit services. Many of them are deliberately encouraging competition in the transit transport sector, in particular in the road transit subsector where the role of private sector operators is increasing. Rail and port services are also

increasingly being commercialized and the responsible institutions are being granted greater operational autonomy.

52. The responses of the international organizations were diverse. The regional commissions and the World Bank have significant programmes under way that are specifically targeted at financial and technical assistance to improve the transit transport infrastructures and the quality of transit services. Although the Bank generally offers such assistance within the framework of country infrastructure projects, special attention has also been given in recent years to some regional programmes, particularly in sub-Saharan Africa. These programmes are also focused on improving the transit policy framework that encourages liberalization of transit services, with a view to enhancing operational efficiency in the transit transport sector. Initiatives to improve management practices and strengthen the legal and fiscal transit transport regimes are also being supported.

53. The Economic Commission for Africa (ECA) and the Economic and Social Commission for Asia and the Pacific are implementing most of their assistance projects within the framework of Transport and Communications Decade programmes. The bulk of the direct support of the Commissions is, however, limited to technical assistance programmes largely funded by UNDP. The recent focus of these programmes in Asia has been on assisting the landlocked developing countries of Central Asia to expand current road and rail routes in order to promote subregional trade and transit transport links with new potential transit neighbours. This assistance has also covered other areas related to transit facilitation through the improvement of the legal transit regimes. Both UNCTAD and UNDP are fully involved in the assistance provided in this area.

54. In recent years, the ECA assistance programme has also been focused on the monitoring of the implementation of Decade projects to improve the physical transport infrastructure, as well as providing direct technical assistance in such areas as transit facilitation, strengthening of transit legal frameworks, improvement of transit transport information systems, improvement of safety, security and navigation of inland waterways, and the development of cooperative arrangements in the air freight industry.

55. Other international organizations provided information on their programmes of assistance to the landlocked developing countries in their respective areas of competence. The International Civil Aviation Organization outlined its activities to improve air transport facilities in various landlocked developing countries, including the expansion of air transport services in rural areas. The Food and Agriculture Organization of the United Nations outlined its technical assistance programmes to support food production, food security, forest resource management and the fisheries sector, both at the country and subregional level, which are designed to enhance the supply capacity in the landlocked developing countries. The International Monetary Fund has been heavily involved in supporting several landlocked countries by providing to their financial institutions technical assistance, enhanced structural adjustment facilities, stand-by arrangements, compensatory and contingency financing facilities, and training assistance.

56. The responses of the developed countries reflect the recent sentiments expressed by several donor countries that have actively participated in various international forums dealing with landlocked developing countries. There is a clear commitment to promote programmes in most landlocked countries, which are designed to improve transit transport infrastructure and services. Many of these programmes are being implemented within the framework of subregional institutions, such as SATCC, the Economic Community of West African States, the Central African Customs and Economic Union, the Transit Transport Coordination Authority of the Northern Corridor, MERCOSUR and the Economic Cooperation Organization in Asia. This approach encourages close cooperation between landlocked countries and their transit neighbours, and enhances the commitment of both these groups of countries to strengthen and improve the implementation of their subregional transit agreements and other arrangements related to subregional trade.

Notes

[1] TD/B/42(1)/11-TD/B/LDC/AC.1/7.

[2] For the report of the Third Meeting of Governmental Experts from Landlocked and Transit Developing Countries and Representatives of Donor Countries and Financial and Development Institutions see TD/B/44/7-TD/B/LDC/AC.1/11.

[3] TD/B/COM.3/EM.1/L.1.

[4] For more details see the following reports, prepared by UNCTAD consultants in 1997: review of the recent progress made in the development of transit transport systems in West Africa and proposals for future action; overview of the recent developments of the transit transport facilities and services for Rwanda's exports and imports; review of the progress made in the development of transit systems in East Africa and proposals for future action; review of the progress made in the development of transit transport in Southern Africa and proposals for future action; review of the progress made in the development of transit systems in Nepal, Bhutan and the Lao People's Democratic Republic and proposals for future

action; and review of the progress made in the development of transit systems in Latin America and proposals for future action. The reports are available in the UNCTAD secretariat.

[5] Progress report by the secretariat of UNCTAD on specific action related to the particular needs and problems of landlocked developing countries (TD/B/42(1)/14).

[6] TD/B/42(1)/11-TD/B/LDC/AC.1/7, annex I.

[7] Detailed information contained in the replies is available in the UNCTAD secretariat. The regional and subregional studies carried out by UNCTAD in the landlocked and transit developing countries as part of the substantive preparations for the Third Meeting of Governmental Experts provided additional information.